

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 100952

15

ORIGIN ORM-02

INFO OCT-01 IO-13 ISO-00 DHA-02 EUR-12 L-03 EA-07 AID-05

OMB-01 SP-02 TRSE-00 SSO-00 NSC-05 NSCE-00 /053 R

DRAFTED BY D/HA/ORM:RLMOTT:JS

APPROVED BY D/HA - JLCARLIN/JMWILSON

D/HA - KEN DAY (DRAFT)

D/HA/ORM - GEORGE WARREN (DRAFT)

----- 127572

O 262316Z APR 76

FM SECSTATE WASHDC

TO USMISSION GENEVA IMMEDIATE

LIMITED OFFICIAL USE STATE 100952

E.O. 11652:NA

TAGS: SREF, ICEM

SUBJECT: REIMBURSEMENT OF ICEM FOR INDOCHINESE PROGRAM
SUPPORT FOR CALENDAR YEAR 1975

1. D/HA DISCUSSIONS WITH ICEM DIRECTOR THOMAS LATE LAST WEEK SHOULD PROVIDE GOOD BASIS FOR MISSION TO FINALIZE IMMEDIATELY FORMAL AGREEMENT WITH ICEM AS TO AMOUNT 1975 PROGRAM YEAR REIMBURSEMENT FOR INDOCHINESE REFUGEE PROGRAM WILL BE ADJUSTED DOWNWARD REPEAT DOWNWARD. NEGOTIATIONS MUST BE CONCLUDED WELL IN ADVANCE SCBF. IF MISSION BELIEVES DOWNWARD ADJUSTMENT SET FORTH THIS CABLE NEEDS TO BE MODIFIED, DEPARTMENT WILL GIVE FAVORABLE CONSIDERATION TO MISSION RECOMMENDATIONS SINCE RESPONSIBILITY FOR ADMINISTRATIVE APPROVAL AND CERTIFICATION OF ICEM PAYMENT RESTS WITH MISSION AND NOT DEPARTMENT.

2. IN OUR DISCUSSIONS WITH THOMAS, WE EXPRESSED THE VIEW THAT ICEM COULD JUSTIFIABLY CHARGE USG SAME PERCENTAGE OF TRANSPORTATION COSTS AS WAS CHARGED FEDERAL REPUBLIC OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 100952

GERMANY (8 OF REFUGEE TRANSPORTATIONS COSTS) BUT THAT GREAT-

ER CHARGE WAS UNJUSTIFIABLE. ALSO JUSTIFIED IN OUR OPINION WAS AN ICEM CHARGE FOR DIRECT AND EXTRAORDINARY EXPENSES THAT ICEM INCURRED IN USG PROGRAM, TO THE EXTENT SUCH CHARGES WERE NOT INCLUDED IN 8 SERVICE CHARGE TO FRG.

3. SINCE DEPARTMENT HAS NOT RECEIVED FROM GENEVA ICEMS TRANSPORTATION BILLINGS FOR NOVEMBER AND DECEMBER 1975, MISSION WILL NEED TO DETERMINE EXACT 1975 MOVEMENT FIGURE. FOR PURPOSES OF DISCUSSIONS WITH THOMAS WE ESTIMATED TRANSPORTATION COST AT 6,390,000 DOLLARS COMPUTED AS FOLLOWS:

(A) TRANSPORTATION COSTS THROUGH OCTOBER 31: 5,171,000
-- DOLLARS FOR 12,143 REFUGEES, OR 426 DOLLARS PER CAPITA.
(B) ESTIMATED INDOCHINESE REFUGEES HANDLED BY ICEM THROUGH
-- DECEMBER 31, 1975 (INCLUDING 1,943 TRANSPORTED VIA
-- MILITARY AIRCRAFT THROUGH OCTOBER 31, 1975): 15,000
(C) ESTIMATED TRANSPORTATION COSTS THROUGH DECEMBER 31,
-- 1975: 15,000 TIMES 426 DOLLARS EQUALS 6.39 MILLION
-- DOLLARS.

4. PARA 3 COMPUTATIONS PROVIDE ICEM 8 PER. OF COMMERCIAL FARES FOR REFUGEES WHO TRAVEL VIA MAC AIRCRAFT (BILLING PAID DIRECT BY STATE AND NOT BY ICEM). RATIONALE: ICEM HANDLED BOTH COMMERCIAL AND MILITARY TRANSPORTATION AND THEIR SERVICE COSTS FOR HANDLING TRANSPORTATION ARRANGEMENTS FOR REFUGEES TRAVELING VIA MILITARY AIRCRAFT WAS COMPARABLE TO SIMILAR COSTS ON ICEM PAID COMMERCIAL TRANSPORTATION. IN OTHER WORDS, SAME SERVICES WERE PERFORMED REGARDLESS OF CARRIER.

5. ICEM GROSS DIRECT 1975 SPECIAL COSTS FOR THE INDOCHINESE REFUGEE PROGRAM ARE AS FOLLOWS:

NON-REGULAR EMPLOYEES:

-- KARAULNIK, DR. M.	16,680
-- LI, MR. P.	465
-- LO, MR. P.	465
-- CORCOS, MR. A.	13,167
-- ANDERSON, MR.	7,917
-- DAN, DR. P.	7,900

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 100952

-- TEMPORARY HELP	24,062
-------------------	--------

COMMUNICATIONS	70,656
SUPPLIES, OFFICE RENTAL	66,844
CAR RENTAL, LOCAL TRANSPORT	15,702
INSURANCE	-4,290
HONG KONG OFFICE	30,000
TRANSPORTATION (EMPLOYEES)	78,705

PER DIEM (EMPLOYEES) 54,515

-- TOTAL 336,471

6. SINCE PORTION OF CERTAIN EXPENSES SET FORTH IN PARA 5 WERE PROBABLY INCLUDED IN THE ICEM 8 SERVICE CHARGE TO FRG, A DEDUCTION FROM GROSS AMOUNT NEEDS TO BE ALLOWED USG BY ICEM TO EXTENT THIS OCCURRED. FOR EXAMPLE, WE UNDERSTAND NO EMPLOYEES WERE DETAILED BY ICEM ON FRG PROGRAM. ASSUMING THIS CORRECT, USG SHOULD REIMBURSE ICEM FOR ALL EMPLOYEE PER DIEM AND TRANSPORTATION EXPENSES. HOWEVER, ICEM HAD COMMUNICATION EXPENSE FOR FRG AND THEREFORE USG SHOULD NOT BE EXPECTED TO REIMBURSE 100 PERCENT OF 66,844 DOLLARS WHERE ANY FRG COMMUNICATIONS COSTS INCLUDED. ICEM AND MISSION SHOULD JOINTLY ARRIVE AT A REASONABLE FIGURE OF "NON-FRG EXPENSES" TO BE DEDUCTED FROM COMMUNICATION AND OTHER ITEMS OF COST IDENTIFIED IN PARA. 5.

7. CERTAIN EXPLANATIONS AND CERTIFICATIONS NEED BE OBTAINED FROM ICEM IN CONNECTION WITH THE 1975 REIMBURSEMENT, I.E.:

(A) SATISFACTORY EXPLANATION, INCLUDING DETAILS OF 24,062 DOLLAR FIGURE FOR TEMPORARY HELP AND 30,000 DOLLAR AMOUNT FOR HONG KONG OFFICE -- SEE PARA. 5.

(B) ICEM CERTIFICATION OF EXACT NUMBER OF USG SPONSORED REFUGEES MOVED BY ICEM THROUGH DECEMBER 31, 1975.

(C) ICEM CERTIFICATION THAT AFTER APPROPRIATE DEDUCTIONS FROM PARA. 5 TOTAL, NET AMOUNT REPRESENTS (1) EXPENSES OVER AND ABOVE WHAT WAS INCLUDED IN CHARGE TO FRG AND (2) EXPENSES RELATED ONLY TO USG PROGRAM.

8. IF MISSION AGREES WITH ABOVE (ADVISE IMMEDIATELY BY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 100952

PHONE IF MISSION QUESTIONS OR RECOMMENDS ANY CHANGE IN ABOVE), ICEM APPROVAL SHOULD BE IMMEDIATELY OBTAINED. IF REFUGEE MOVEMENT OF 15,000 PERSONS WERE PRECISE, ICEM NEEDS TO REVISE DOWNWARD ITS 1975 OVERHEAD CHARGES OF 991,219 DOLLARS BY OVER 143,548 DOLLARS, COMPUTED AS FOLLOWS:

--(A) 8 PER.TIMES 6.39 MILLION DOLS. 511,200

-- (B) PLUS: UNADJUSTED DIRECT COST 336,219

-- SUB TOTAL 847,419

-- (C) MINUS: DIRECT COSTS INCLUDED

-- IN FRG 8 PER. ?

-- TOTAL

9. SUMMARY: SETTLEMENT NEEDS TO BE REACHED WITH ICEM WITHIN 48 HOURS OF MISSION RECEIPT OF THIS CABLE. IF ICEM WILL NOT ACCEPT ABOVE FORMULA (AS MODIFIED BY MISSION RECOMMENDED CHANGES) WITHIN THIS TIMEFRAME, PLEASE NOTIFY DEPARTMENT IMMEDIATELY. KEY POINT TO BE MADE TO ICEM IS DEPARTMENT CANNOT JUSTIFY 991,219 DOLLARS PAID ICEM FOR 1975 SUPPORT, BUT CAN JUSTIFY 847,671 (WITH SOME POSSIBLE DOWNWARD ADJUSTMENT, AS NOTED ABOVE).

10. MISSION REQUESTED KEEP D/HA CURRENTLY INFORMED BY PHONE RE PROGRESS OF LACK THEREOF IN REACHING FINAL SETTLEMENT ON THIS MATTER WITH ICEM. SISCO

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REFUGEE RELIEF, FINANCIAL CONTRIBUTIONS, PROGRAMS (PROJECTS), OPERATING COSTS, DEBT REPAYMENTS, FINANCIAL AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE100952
Document Source: CORE
Document Unique ID: 00
Drafter: RLMOTT:JS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760158-0554
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760420/aaaaaqsj.tel
Line Count: 183
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ORM
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 10 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 MAY 2004 by woolflhd>; APPROVED <20 SEP 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: REIMBURSEMENT OF ICEM FOR INDOCHINESE PROGRAM SUPPORT FOR CALENDAR YEAR 1975
TAGS: SREF, US, ICEM
To: GENEVA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006